

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6936

BILL NUMBER: HB 1389

NOTE PREPARED: Jan 9, 2006

BILL AMENDED:

SUBJECT: Purchase of service credit.

FIRST AUTHOR: Rep. Borders

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: Pending

Summary of Legislation: This bill amends the provision allowing Public Employees' Retirement Fund (PERF) and State Teachers' Retirement Fund (TRF) employers to buy service credit for their employees to specify that in the case of a school corporation that buys service credit for employees with at least 25 years of service, the school corporation may: (1) pay for the service credit through periodic payments over not more than ten years; and (2) make the payments to PERF or TRF through deductions from tuition support payable to the school corporation from the state.

Effective Date: July 1, 2006.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

Fiscal Analyst: James Sperlik, 317-232-9866.